

**Testimony to Senate Budget Committee
&
Task Force on Government Performance**
*Performance “Stat”: Measuring Priorities,
Progress and Results*

Montgomery County, Maryland
“Results Based Accountability System”



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Montgomery County, Maryland

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Introduction

The Montgomery County government has long been recognized as one of the most progressive and effective in the nation. Since County Executive Isiah Leggett took office, his goal has been to make it even better. In a diverse County of nearly one million people, building an open, inviting, responsive, and accountable government for all is a challenge his administration embraces.

This administration is committed to building a more responsive and transparent government through new patterns of collaboration, partnership, use of data in all aspects of the decision making process, and, most importantly, through the establishment of an accountability system that focuses on the interests of the Montgomery County taxpayer, both residents and businesses.

Under Mr. Leggett, Montgomery County Government has focused on its customers' needs – identifying service gaps and areas of needed improvement, establishing priorities and goals, tracking progress, and responding promptly to customers' service requests. The County Executive has implemented the CountyStat program, a tool that provides accountability at all levels of government and measures the rate of investment, return on that investment and supports budget, management and funding decisions. CountyStat has added value by enforcing the County Executive's philosophy of "results-based accountability" and empowering the departments to make "data-driven" decisions.

As Winston Churchill said: *"However Beautiful the Strategy, You Should Occasionally Look at the Results"*. We are solely focused on delivering results for our established priorities.

Development of the Montgomery County Results-Based Accountability System

- During the campaign, Mr. Leggett consistently heard from residents about the need for government to be more responsive, transparent, and accountable.
- Following the election, prior to assuming responsibilities as County Executive, Mr. Leggett began by bringing together a group of 150 residents, representing diverse interests and cultures, to identify the qualities of life in Montgomery County that matter most. http://www.montgomerycountymd.gov/content/home/pdf/transition_report.pdf. Through this inclusive process, the large and diverse transition team of business and community leaders developed eight priority objectives that would address challenges facing the County and what are now called “Montgomery County Results.”
 - A Responsive and Accountable County Government
 - Affordable Housing in an Inclusive Community
 - An Effective and Efficient Transportation Network
 - Children Prepared to Live and Learn
 - Healthy and Sustainable Communities
 - Safe Streets and Secure Neighborhoods
 - A Strong and Vibrant Economy
 - Vital Living for All of Our Residents
- Achieving measurable and desirable outcomes in these eight Montgomery County Results are the foundation upon which the County Results-Based Accountability System and the CountyStat initiative are built.
- It was determined that a comprehensive approach to performance management would be the best way to make measurable progress on County goals and priorities. CountyStat in conjunction with other tools and data systems, including results-based budgeting, MC311 and ERP, is establishing a solid foundation for effectively and efficiently managing the performance of County government.

CountyStat

- CountyStat was created in January 2008 to address one of Montgomery County taxpayers’ priority objectives: “A Responsive and Accountable County Government.”
- CountyStat manages the County’s results-based accountability system which links the priorities of County residents to departmental goals and programmatic performance and, ultimately, to budget decisions and resource allocations.

- CountyStat relies on the strategic use of data and analytics to monitor and improve the performance, effectiveness, and efficiency of County services. This effort creates greater accountability; provides better transparency into County challenges and successes; and ultimately helps to drive the implementation of a culture of “managing for results” in Montgomery County.
- CountyStat conducts its operations under four principles:
 - Require Data Driven Performance
 - Promote Strategic Governance
 - Increase Government Transparency
 - Foster a Culture of Accountability
- Through CountyStat, regular weekly meetings are held to examine County programs and activities resulting in continual improvement in both the efficiency and effectiveness of government services. During these meetings, the County Executive and Chief Administrative Officer meet with department directors to review real-time data to analyze past performance, follow-up on previous commitments to improve performance, and examine the impact of performance strategies.
- CountyStat builds on the “Stat” model of performance management inspired by other efforts, like CompStat in New York, and CitiStat and StateStat, started by Governor O’Malley.
- CountyStat focuses on customer results, performance, and long-term strategies that emphasize increasing effectiveness and efficiency. This program is changing the culture of accountability in this government by creating, for all Executive Branch departments, a set of outcome-based and mission-focused performance measures. These measures set the framework for regular discussions of policy and operational challenges that lead to the development of strategies that address those challenges and improve performance.
- To date, there have been 114 CountyStat meetings over 2.5 years on a variety of performance-related subjects.
- The CountyStat initiative is an ongoing, dynamic process that requires continuous improvement and needed cultural workplace changes; development of reliable, useful, and relevant performance data; and refinements in processes, systems, and techniques.
- CountyStat is a major component of the County’s results-based accountability system. Through CountyStat, all decisions, actions, and policies must be driven by the extensive use of data, qualitative and quantitative analysis, and outcome-focused performance management.

Accomplishments and Results Achieved

No management tool is worth the time it takes to implement if it does not bring you results and closer to your goals. Here is what we have accomplished by implementing CountyStat:

Improved Accountability

- Prior to this administration, performance in Montgomery County government was tracked through an initiative called Montgomery Measures Up! It included a large list of output-focused performance measures for each department of varying degrees of importance, quality, and validity. It was not used to manage performance in any systematic way.
- Montgomery County has since progressed to a much more targeted system that focuses solely on delivering results to the customer – the residents and businesses of Montgomery County.
- All Department Directors are required to develop and maintain up-to-date departmental performance plans. Through these performance plans, department directors are held accountable for all of the work they oversee. Performance plans include a set of results-focused headline performance measures reflecting their areas of responsibility for “Montgomery County Results” and key strategies to improve and optimize performance. These efforts have changed the culture of Montgomery County government to the point that frontline employees now know how their daily efforts directly contribute to overall departmental performance.
<http://www.montgomerycountymd.gov/mcgtmpl.asp?url=/content/exec/stat/performance.asp>
- Departments are using performance and results to make operational and budget decisions.
 - As an example, the Department of Recreation experienced significant budget reductions this year. The Department used their headline measures, which include survey results and participation rates, to make reductions to preserve the programs with the most impact and best results. Through their efforts, the Department was able to maintain good performance despite a difficult budget year.
 - In addition to helping the department to develop their headline measures and analyze their data, CountyStat has assisted the Department through its strategic identification of a potentially alarming trend: a significant reduction in program participation for children between the ages of 4 and 10. This is a fast growing demographic in our County, yet participation has steadily declined. Since the trend was identified, the department has begun work to turn it around. In addition to improving the services offered to this important demographic, it has also helped to generate much needed additional revenue to the Department.
http://www.montgomerycountymd.gov/content/exec/stat/pdfs/6_25_10_dor_ppt.pdf

Clearer Linkages between County Goals and Departmental Decisions

- Montgomery County has created a results-based accountability system that directly links County priority objectives, performance, and decision making. It is designed to connect County priorities to overarching quality-of-life indicators, which are tied to each of departments' performance measures, reflecting their core activities, and can be evaluated in more depth through program-level measures.

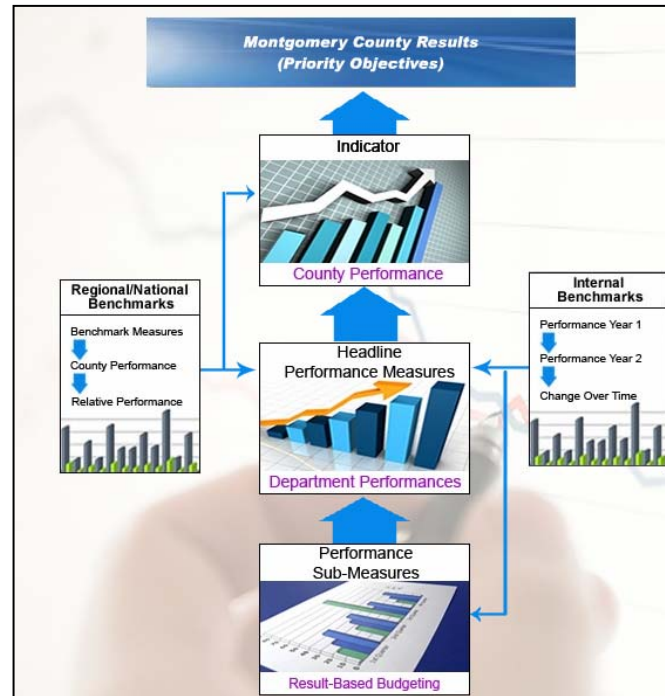


Figure 1: Results-Based Accountability System

This system, managed by CountyStat, closely monitors the progress of each County department. It provides a framework for connecting County priorities with budget decisions while using performance data as the basis for those decisions. The breadth and scope of this system make this a unique tool, which is invaluable for improving the decision-making process. <http://www.montgomerycountymd.gov/results>

- The County's Results-Based Accountability System has the following components:
 - Indicators:** Sets of data that represent a high-level barometer of County performance and reflect the quality-of-life in Montgomery County. Developed to align with Montgomery County Results (priority objectives), indicators are influenced by multiple departments and often subject to external factors beyond the control of County government. Indicators are benchmarked against both regional and national peers. <http://www.montgomerycountymd.gov/mcgtmpl.asp?url=/content/exec/stat/indicators8.asp>

- **Headline Performance Measures:** Outcome-based measures that monitor results achieved by County departments. Departments, measured through their headline performance measures, have likewise aligned their activities and efforts to support each of the community’s priority objectives. Departments tailor budget requests to align with County priority objectives, maintain or improve performance goals, comply with legal mandates, and other relevant guidance.

Link to departments’ performance plans

<http://www.montgomerycountymd.gov/mcgtmpl.asp?url=/content/exec/stat/performance.asp>

Link to Montgomery County Performance Dashboard

<http://www2.montgomerycountymd.gov/countystat>

- **Performance Sub-Measures:** Measures that link budget items to departmental Headline Performance Measures and monitor results achieved at programmatic level. Ultimately this is how Results Based Budgeting will become reality in Montgomery County.

<http://www.montgomerycountymd.gov/mcgtmpl.asp?url=/content/exec/stat/submeasures.asp>

- **Results-Based Budgeting:** All budget decisions have been focused on making progress in the eight “Montgomery County Results” areas and all budget training, manuals, processes, systems, and publications have been revised to reflect this focus on results-based accountability.
- This creates a culture of data-driven, results-based decision making where department directors have the tools to systematically tackle the County’s budget challenges thereby increasing departments’ productivity.

Stronger Collaboration to Address Cross Agency and Cross Departmental Challenges

- Through Montgomery County Government’s focus on performance management, great progress has been made in changing the government’s culture to one that focuses on working collaboratively to solve problems and address challenges. Departments and agencies outside the executive branch have begun to work together to determine which strategies work best to address shared challenges. By sharing data, working together in the planning process and sharing and training one another in areas where one department or agency has developed “best practices.” Montgomery County’s performance management initiative has resulted in significantly stronger collaboration and succeeded in breaking down departmental silos that existed previously. Two prime examples are the County’s Pedestrian Safety Initiative and overtime monitoring, detailed below.
- **Pedestrian Safety:** Pedestrian safety has been a key initiative of this administration. The initiative has been taken to the next level through developing a more strategic

approach to results, accountability, and transparency. The Pedestrian Safety Initiative has two objectives:

1. Reduce pedestrian-related crashes, injuries, fatalities, and their associated social and economic costs, and
2. Ensure that all areas of the County provide safe and convenient travel options for pedestrians. (Link to the latest Pedestrian Safety Meeting)

http://www.montgomerycountymd.gov/content/exec/stat/pdfs/03_19_2010_ppt.pdf

- Impact of results based accountability on the Pedestrian Safety Initiative Staff and resources are being strategically deployed to focus on these two goals. Using data on pedestrian-vehicle collisions, four High Incidence Areas were established. Departments' work, including education, enforcement, and engineering activities, is now focused on those areas and takes into account the specifics needs of those communities.

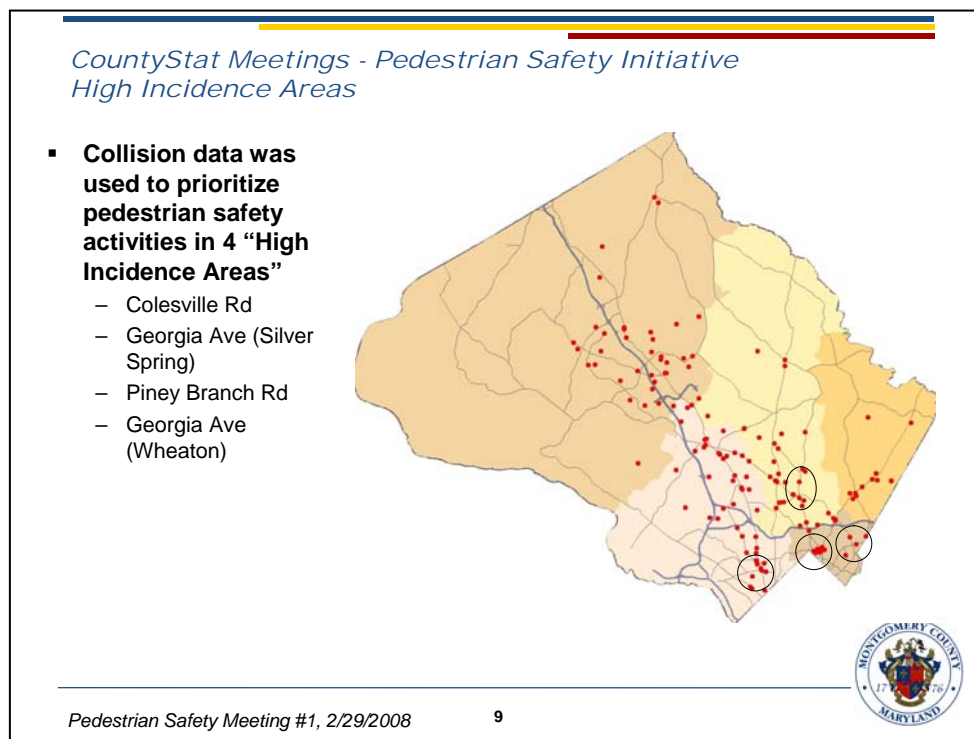


Figure 2: Using data to target pedestrian safety "hot spots"

- Collaborative efforts like Safe Routes to Schools, a program delivered by the Police and Transportation departments, and Montgomery County Public Schools, have been emphasized. CountyStat used detailed GIS mapping and data analytics to demonstrate this program's impact and, because of this effort and the fact that the program has been shown as an effective way to prevent pedestrian collisions, additional resources have been extended to

the program. In addition, managers of this effort have used the data to reprioritize its work in order to achieve the maximum impact for County residents.

http://www.montgomerycountymd.gov/content/exec/stat/pdfs/10_21_08_PPT.pdf

- Parking lots were determined to be a pedestrian safety hot spot; 22% of the pedestrian-related collisions in Montgomery County occur in parking lots. That figure adds up to 324 parking lot collisions involving pedestrians over the past three and one-half years. In response to this pressing concern, the County Executive launched a comprehensive public education campaign to improve pedestrian safety in parking lots.

<http://www.montgomerycountymd.gov/dotmpl.asp?url=/Content/dot/dir/pedsafety/resource.asp>

- Initially, the Pedestrian Safety Initiative called for two additional inspectors at a cost of \$174,000 per year. CountyStat determined that the addition of these inspectors would have little impact on pedestrian collisions. Therefore, the additional inspectors were not added to the current staff complement and resources were diverted to other, more effective, programs.

- And the most important result of all – Pedestrian **fatalities are down in 2009 (14) compared to 2008 (17), and the lowest in 4 years.** Overall pedestrian collisions were also down over 2008 when comparing the first 9 months of the year.

Number of Pedestrian Collisions

	2004	2005	2006	2007	2008	2009
January	21	36	31	32	48	31
February	30	28	28	33	30	37
March	36	37	28	34	37	30
April	32	26	25	35	34	28
May	39	27	36	34	47	46
June	33	41	33	29	24	40
July	33	24	29	20	37	35
August	24	28	37	26	36	29
September	31	39	39	38	35	28
Jan to Sept Total	279	286	286	281	328	304
October	46	48	42	37	31	
November	52	48	49	60	38	
December	43	52	52	34	47	
Total	420	434	429	412	444	




Pedestrian Safety #6
5
3/19/2010


Figure 3: Pedestrian collisions in Montgomery County since 2005 (Note: At the time of this meeting, collision data was current as of September, 2009.)

- **Overtime Use:** By managing results through CountyStat, data was used to make targeted budget savings in personnel costs without impacting the safety of County residents.
 - Impact of results based accountability on the use of overtime through monitoring overtime and regularly meeting with high overtime using departments, including the Police and Fire and Rescue Departments, Department of Correction and Rehabilitation, and Department of Transportation, overtime hours and expenditures have been reduced by **149,492 overtime hours**, which translates to **\$6,150,711**.

These reductions were made through the creative and collaborative efforts of County departments while maintaining a high level of service to the community. (Link to the latest CountyStat Overtime meeting)

http://www.montgomerycountymd.gov/content/exec/stat/pdfs/4_30_2010_ppt.pdf

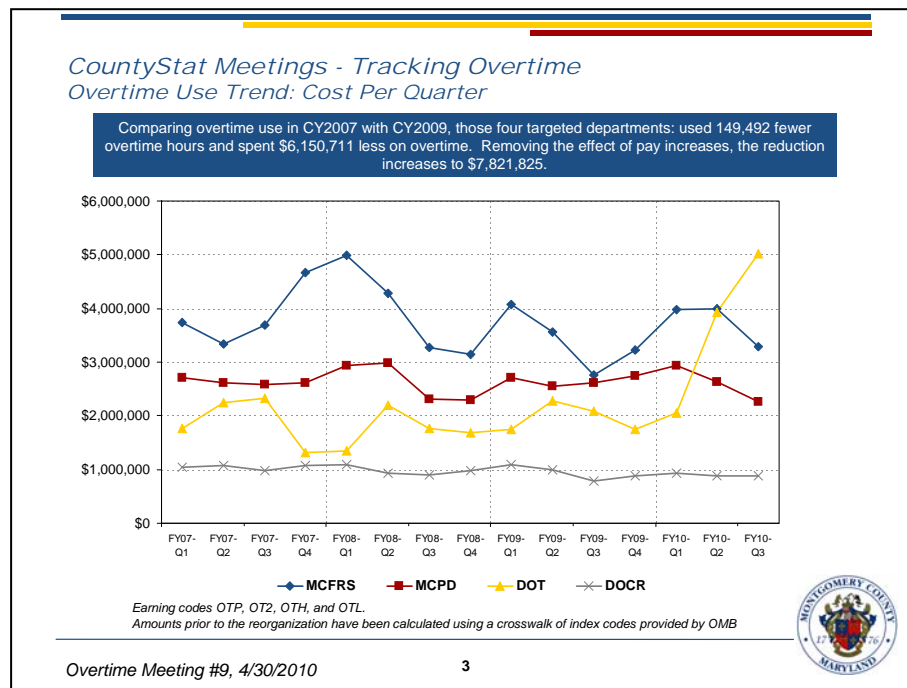


Figure 4: Tracking overtime in key departments

In addition, overtime use is monitored for all of County departments and offices on a continual basis by sending out a quarterly tracking report to directors and managers.

<http://www.montgomerycountymd.gov/mcgtmpl.asp?url=/content/exec/stat/reports.asp>

*Tracking Overtime Across All Departments
Overtime Hours in FY10-Q3*

Department/ Office (# Authorized Positions)	FY10-Q3		FY10-Q2		FY09-Q3		Overtime Hours Per Approved Position
	Current quarter	Previous quarter	% change from previous quarter		Same quarter one year ago	% change from one year ago	
MCFRS (1306)	66,767	79,920	-16.5%		55,355	20.6%	51.1
MCPD (1834)	44,494	52,563	-15.4%		51,322	-13.3%	24.3
DOT (1298)	134,676	112,627	19.6%		59,399	126.7%	103.8
DOCR (550)	18,292	18,729	-2.3%		17,842	2.5%	33.3
DGS (457)	19,204	11,644	64.9%		14,227	35.0%	42.0
HHS (1721)	5,131	4,861	5.6%		2,551	101.1%	3.0
DLC (318)	4,043	6,533	-38.1%		2,606	55.2%	12.7
DPS (227)	824	956	-13.9%		1,241	-33.6%	3.6
RSC (67)	1,346	379	255.4%		827	62.8%	20.1
REC (139)	451	288	56.5%		612	-26.3%	3.2
DEP (153)	983	940	4.6%		851	15.5%	6.4
DTS (176)	491	284	72.7%		364	34.9%	2.8
FIN (129)	93	281			63		0.7
Total	297,241	290,281	2.4%		207,630	43.2%	

Shown are executive departments and offices that had at least 300 hours or \$10,000 in overtime costs in a quarter.
Red: > 20% increase; Yellow: 0 – 20% increase; Green: 0% increase or any decrease



Overtime Meeting #9, 4/30/2010

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Figure 5: Tracking County-wide overtime use (quarterly data tracking)

- In addition to these major County initiatives, a host of other cost saving and service/efficiency improvements have been made since the start of the CountyStat initiative two and one half years ago:

ADR – direct savings in overtime use due to reduced administrative leave during the Alternative Dispute Resolution process

http://www.montgomerycountymd.gov/content/exec/stat/pdfs/3_14_08_PPT.pdf

Paper reduction – reduced use of printing and mailing. We had a goal of reducing paper use roughly 15% in a year, thereby saving the County roughly \$1 million dollars. In the time since this initial goal was set, the County has saved more than **\$1.5 million dollars** and reduced environmental impact of approximately 66 million sheets of paper.

<http://www.montgomerycountymd.gov/mcgtmpl.asp?url=/content/exec/stat/reports.asp/>

Risk management – savings through targeting safety and worker's compensation programs

http://www.montgomerycountymd.gov/content/exec/stat/pdfs/04_20_2010_ppt.pdf

Optimized library delivery routing to decrease number of drivers and decrease fuel consumption.

Evaluated the effectiveness of the WeCar car-sharing pilot program, leading to the suspension of the pilot

http://www.montgomerycountymd.gov/content/EXEC/stat/pdfs/12_04_09_ppt.pdf

Streamlined budgeting efforts of the Positive Youth Initiative by creating a system of cross-agency resource collaboration

http://www.montgomerycountymd.gov/content/EXEC/stat/pdfs/8_28_09_ppt.pdf

Created new system for tracking disability retirement that will lead to less instances of fraud and greater accountability

http://www.montgomerycountymd.gov/content/EXEC/stat/pdfs/09_01_09_ppt.pdf

Elimination of unused/minimally used mobile communication devices (phones, aircards, Blackberries, etc.) and optimization of plans to better match needs.

http://www.montgomerycountymd.gov/content/EXEC/stat/pdfs/1-19-10_ppt.pdf

Improve communication between the County (Dept. of Finance) and State Department of Taxation and Assessment to ensure all known rental properties are properly coded and principal residence credits are accurately distributed.

http://www.montgomerycountymd.gov/content/EXEC/stat/pdfs/1-19-10_ppt.pdf

A Comprehensive Data-Gathering Approach Focused on Results

Montgomery County is committed to collecting and comprehensively evaluating data from a variety of sources in order to continuously measure and improve performance. This comprehensive approach to results-based accountability is key to County government's ability to deliver results that are solely focused on our customers – Montgomery County residents and businesses.

1. **Town Hall Meetings and Budget Forums** – The County has provided a forum for free and candid dialogue and input from residents to guide County service and resource priorities. This included 20 budget forums held to specifically gather feedback on the budget as well as 45 town hall meetings, online chats, and call-in TV shows where residents could ask questions and provide input to the County on a variety of topics.
2. **Resident Survey** – This survey has been conducted bi-annually to seek input and feedback from County residents on what is working well and what is not and to communicate their priorities for community planning and resources. The survey results are being monitored through departments' performance plans.

http://www.montgomerycountymd.gov/content/pio/pdfs/2009_resident_survey_report.pdf

3. **MC311 (Constituent Relationship Management System)** – The County has developed and implemented a centralized 311 call center and constituent relationship management system (CRM). MC311 is a single, one-stop phone number for information, complaints, and requests, and a user-friendly website will provide customers with a County government that listens well, performs more efficiently and effectively, and is held accountable by systematically tracking data that will inform decisions about changes in service delivery and investment of County resources. Also, it will save money – there are already more than \$10 million in projected savings between the current year and next year. As part of the County’s results-based approach, data from this system will be used to monitor and improve government performance by setting standards for service delivery and timeliness.
<http://www3.montgomerycountymd.gov/311/>
4. **ERP (Enterprise Resources Planning System)** – The County is modernizing its core business systems to improve efficiency, effectiveness, and responsiveness. ERP will provide a significant upgrade to the County’s financial, procurement, human resources, and budgeting systems; will streamline business processes; and will produce enhanced reports for data-driven decision making – all key to improving customer results.
5. **Internal Customer Survey** – On a yearly basis, County managers are surveyed on the services provided by departments with significant internal customers (i.e. Technology Services, Management and Budget, Human Resources, General Services, etc.) Its purpose is to evaluate the quality of those services, pinpoint opportunities to improve, and collaboratively develop strategies to do so.
http://www.montgomerycountymd.gov/content/EXEC/stat/pdfs/01_22_10_ppt.pdf
6. **Government-Wide Quarterly Data Tracking and Reporting** – Transparency is the cornerstone of the County’s Results-Based Accountability System. Key data is regularly shared and distributed on operational issues of government-wide concern. This encourages departments to track themselves over time, compare themselves to other departments, and collaboratively work to improve. These reports include overtime use, risk management, paper reduction, and other important data points.
<http://www.montgomerycountymd.gov/mcgtmpl.asp?url=/content/exec/stat/reports.asp>
7. **American Recovery and Reinvestment Act (ARRA) Stimulus Fund Tracking** – In line with federal and state leadership, Montgomery County has made accountability on this issue a priority. The County tracks detailed data on ARRA spending, including its intended outcomes of job retention and creation, through its Recovery and Reinvestment Tracking System as they relate to eight Montgomery County Results.
<http://www.montgomerycountymd.gov/recovery>

Transparency

- The County is committed to monitoring and improving performance in full view of the public.
- All CountyStat meetings are advertised in advance and are open to the public. Information gathered, analyzed, and disseminated by CountyStat is frequently used by the media and the public.
- Detailed information on all of the County's performance efforts is available via the web.
 - CountyStat initiative (Link - <http://www.montgomerycountymd.gov/countystat>) This site highlights CountyStat's work and presents the detailed analysis conducted for departments and cross-agency initiatives. All presentations, memos, and reports are collected here.
 - All departments' performance measures are publicly available and regularly updated in an online dashboard. This online reporting system provides greater transparency into County performance and increases public accountability by tracking and reporting departments' progress on each of their headline measures. (Link - <http://www2.montgomerycountymd.gov/countystat/>)

Performance Search

Department: HEALTH & HUMAN SERVICES

Result Area: Please Select

Measure Type: Headline Measure

Search

Glossary of Terms

Results Area: The Eight Priority Objectives developed by a group of 150 community representatives during the 2006 County Executive Leggett Transition.

Headline Measure: Outcome-based measures that monitor results achieved by County departments.

Supporting Measure: Measures that link programmatic achievements to departmental Headline Performance Measures.

* If you are having trouble viewing the measure details, please enable your pop-up blocker.

If you have any questions or comments relating to the Montgomery County Government Performance Dashboard, please contact CountyStat at countystat.montgomery@montgomerycountymd.gov



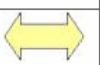


Dept	Measure Text	Detail	Current Value	Previous Value	Fiscal Year	Performance
HHS	Percent of HHS client cases that demonstrate beneficial impact from received services	Detail	95.0%	93.0%	FY10	
HHS	Weighted composite of HHS client cases that demonstrate beneficial impact from received services: Improved health and wellness (1-100 scale)	Detail	61.0%	65.2%	FY09	
HHS	Weighted composite score of HHS client cases that demonstrate beneficial impact from received services: Greater independence (1-100 scale)	Detail	80.0%	80.9%	FY09	
HHS	Weighted composite score of HHS client cases that demonstrate beneficial impact from received services: Risk mitigation (1-100 scale)	Detail	78.1%	89.8%	FY09	
HHS	New cases of Chlamydia per 100,000 population in Montgomery County: All ages	Detail	205.3	177.8	FY09	

Figure 6: Montgomery County Performance Dashboard

- All components of the Results-Based Accountability System are likewise available. This site provides an overview of the County's results-based accountability system and shows the results achieved. <http://www.montgomerycountymd.gov/results>
- To help Montgomery County residents track how our nation's stimulus funds are being used to improve the economy and make progress on Montgomery County Results, a website was developed to monitor and report the use and impact of funding received under the American Recovery and Reinvestment Act (ARRA). <http://www.montgomerycountymd.gov/recovery>

Lessons Learned

1. **Ensure commitment and support for performance management at the highest level:** Ultimately, performance management, and Stat in particular, is a leadership tool for creating effective management strategies. These tools are of limited utility without a serious commitment from government leaders to use performance data to make decisions and promote this strategy throughout the organization. For that reason County-Stat was established within the Office of the County Executive.
2. **Partner with the community:** Seeking input from a diverse group of community representatives to develop "priorities" will ensure that the focus is kept on "community priorities" therefore improving their quality of life.
3. **Develop buy-in from directors and managers:** The Stat process is a good way to monitor progress by top leaders at different governmental levels, but it can and should also be a good management tool for those operating programs at the ground level. To accomplish this, the strategy must be communicated and understood by those leaders.

Departmental leadership, in turn, will communicate those strategies and priorities down to line employees, without whom results cannot be achieved. Some of your leaders may get on board more quickly than others. It's up to the chief executive, to make it clear that the use of this tool is a positive step that will help the department and the County as a whole.

4. **Develop buy-in from legislative branch:** It is equally important to have the support of legislators, who have final authority on budget decisions impacting government operations. Working collaboratively with this group to use data, and support the data-driven decision-making model put in place by the Executive Branch, is vital.
5. **Establish collaborative relationships:** Departments who came to understand the value of the Stat process and data-driven decision-making typically had the most improved outcomes. This is linked to the collaborative relationships established between departments and CountyStat. By creating partnerships and a positive and open working environment between performance management staff and department staff, speedier progress can be made.
6. **Focus on what matters:** Rather than try to measure everything the County does, leaders instead should opt to focus intently on a small set of outcome focused measures. Those measures reflect the most important aspects of County operations, and encourage departments to focus strategies and resources on those core components. This should be an ongoing and continuous process that reflects inevitable change in government resources, priorities and resident need.
7. **Have dedicated staff manage performance and assist departments:** Departments often do not have the staff capacity or expertise to do the complex analysis, benchmarking, and surveying required to evaluate performance. Additionally, having staff separate from departments provides an impartial set of eyes that allows for clearer assessment and follow-up.
8. **Take a long term, comprehensive view:** Any single tool cannot be used in isolation to improve results. Montgomery County determined that a comprehensive approach to performance management is important to firmly establishing results-based accountability within the government. CountyStat, combined with MC311, ERP, and other performance and data-focus tools, work together to deliver results to County residents.
9. **Develop capacity within departments/offices to measure and manage performance:** As I noted previously, departments don't necessarily have the capacity to manage performance at the level required. CountyStat worked with departments to increase their internal ability to continually monitor and assess operational performance, in order to construct more self-sufficient and outcome-focused departments. With the proper

training, tools, awareness, and enforcement mechanisms, departments become more self-sufficient in managing their data and are able to more effectively identify strategies for improvement.

- *CountyStat Rotational Fellowship Program* – This is an example of a capacity building opportunity was developed to address the needs of County departments. Selected Montgomery County government employees can spend half of their work time, over a ten week period, in the CountyStat office. This Rotational Fellowship helps participants improve their data gathering/analysis skills and understand the value of data-driven and results-focused thinking and decision making.

10. **Process is valuable:** The process in putting together Department's measures is as valuable as the measures themselves. It forces self reflection and the prioritization of core programming elements. This has been especially valuable during these difficult fiscal times. The reduction of all programs is difficult, but quantitative data that demonstrates impact and usage makes this process smoother and ensures that scarce resources are devoted to the most beneficial programs.

11. **Consistent follow-up:** To make progress and ensure results, relentless follow up with departments on their performance goals and commitments is required. Initially, there may be an attitude that performance management will fade away, so it is necessary to continue to push departments to measure and manage their performance until it becomes part of the culture.

12. **Separate the Stat process from the budget process – *have a distinct performance monitoring process:*** : having the Stat program within the Office of the County Executive and a dedicated staff solely focused on performance, ensures that it is given priority and attention at all levels. For a variety of reasons, it is important to keep the Stat process distinct from the budget process. The Stat process should focus on operational performance impartially, without the added role of budgeting. Clearly, the results from County Stat will often ultimately feed into the budget formulation process, informing a manager's budget recommendations and decisions. But budget decisions are not driving the County Stat process.

Applications to the Federal Government in Collaboration with State and Local Government

Using Performance Stat to Make Decisions

- Using a performance management tool like CountyStat can be used to track the results of agencies with field offices and branches across the country.

- Key agency leaders and staff can be brought in to discuss agency-wide performance issues with the goal of reviewing outcomes, comparing progress, and sharing strategies.
- Similarly, large agencies that have many different offices, bureaus, etc., with disparate programs and goals would have similar needs for a Stat-type program.
 - While these offices and bureaus may conduct very different activities and programs, ultimately they are all working toward a common mission (i.e. Dept. of Education – strengthen the Federal commitment to assuring access to equal educational opportunity for every individual; Dept. of Agriculture – provide leadership on food, agriculture, natural resources, and related issues based on sound public policy, the best available science, and efficient management, etc.).
 - A Stat-type program would review agency outcomes, how individual unit outcomes roll-up to deliver those results, and highlight where improvement is required.
- Cross agency issues could also be evaluated in this manner, requiring that different agency leaders are brought in to discuss performance issues of concern.
 - The foreclosure crisis is an example of a cross-cutting issue that requires the work of multiple Federal agencies that, while all working on different aspects of this issue, are ultimately all working toward the same result: a lower foreclosure rate across the country.

Using Quality Data to Evaluate Performance of common programs at All Levels of Government

- Rich, well-defined data sources can be used by all levels of government for performance management: the federal government, state government, and local jurisdictions. Having rich, well-defined data that is collected by all jurisdictions allows the levels of government to work together on common performance goals and improves the efficiency of the performance management system itself even for performance management needs that are unique to the jurisdiction.
 - Traffic collision data is a rich data source, but it is not as well-defined as crime data and therefore allows for fewer connections between the levels of government. Montgomery County uses traffic collision data frequently in its management of pedestrian safety. This data has been used to evaluate programmatic success (i.e. Safe Routes to Schools), to target opportunities to improve (i.e. increasing public

awareness about parking lot safety), and make resource decisions (i.e. targeting 4 high incident areas).

- Presently, there is a disconnect from the state to federal level, where common traffic collision data is not tracked. Stronger data coordination across levels of government would promote benchmarking and best practice sharing among local jurisdictions across the country on this issue.
- Federal authorities could use this data similarly to connect high level resource decisions with on the ground results.

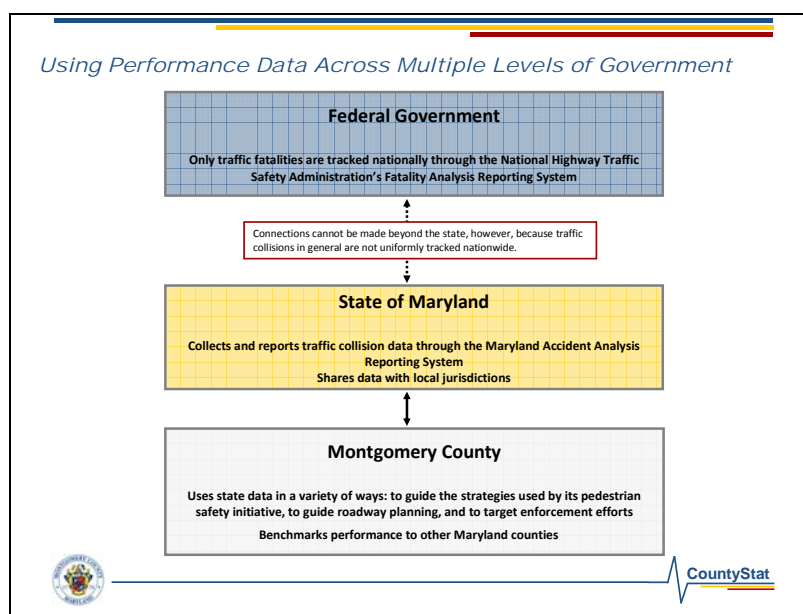


Figure 7: Using Quality Data to Evaluate Performance at All Levels of Government

Setting Common, Meaningful Goals to Promote Effective Intergovernmental Collaboration

- Setting mutually agreed upon goals would promote more effective collaboration among the three levels of government in order to achieve results in areas of common concern. For most issues, each level of government has its own way of measuring progress and a desire to dictate how the level below should perform and measure progress. However, top down goal setting and progress reporting is not the best way to achieve the objective.
 - Programs funded through ARRA are an overarching example of how effective collaboration at all three levels of government – federal, state and local – could produce a meaningful data-driven goal setting and performance measurement system. Please refer to Montgomery County's ARRA Performance Tracking: <http://www.montgomerycountymd.gov/recovery>

- Opportunities for Collaboration in Health Reform Legislation: Montgomery County is a fully integrated health and human services department that has links with multiple state departments delivering services to at risk and vulnerable populations and has policy and funding relationships with multiple administrations within Federal HHS and with HUD, Department of Labor and the Department of Education to name a few.

For the past three years we have been working on issues of integration and interoperability and have engaged with several federal agencies including the Administration for Children and Families, Substance Abuse and Mental Health Services Administration, Health Resources and Services Administration, Center for Medicare and Medicaid Services, the Office of the National Coordinator for Health Information Technology, several National Trade Organizations, our State Partner Agencies, National Foundations and our Congressional Delegation to build support for an integrated health and human services practice and infrastructure framework. The clients, patients and end users are receiving services at the level of local government. Federal policies and funding decisions have the most impact at the local level though the Federal mandates are passed through the State Departments with whom we have strong partnerships. The social determinants or factors that impact health and well being outcomes, safety of children and adults and will help bridge the educational achievement gap require a comprehensive and integrated eligibility and service delivery public-private system of care. To build and strengthen this system policy, practice and infrastructure need to be addressed. Specifically the issues related to:

1. Alignment of confidentiality practices between HIPAA and 42 CFR need to be addressed
2. Create the Ability to Blend and Braid Funds while preserving high accountability standards
3. Address Evidence Based Practice improvements to better identify return on investment
4. Improve the technology framework to support integration
5. Strengthen integrated service delivery through place based initiatives
6. Policy and practice supports a public-private integrated and interoperable framework

There are several federal opportunities where the work of local government clearly provides a demonstration or laboratory site. Some of these current and upcoming place based opportunities are as follows:

1. Health Reform implementation
2. TANF Reauthorization
3. Medicaid Waivers

4. Home and Community-based Services
5. Universal Pre-K
6. Employment Strategies
7. Housing First and 10 year plans to end chronic Homelessness
8. New American Strategies
9. Equity in Service Delivery
10. Role of Technology in Supporting Integrated Practice through HIT and the importance of integrated and express lane eligibility

Montgomery County, MD has long been perceived as a leader in the field. We integrated over 4 departments 15 years ago and have been working to deepen our integrated practice over this time. The current opportunities presented by the various federal initiatives and groundbreaking health reform legislation presents the perfect storm to deepen our work, improve outcomes for our clients and increase efficiencies within the service delivery system. For additional information, please contact Uma S. Ahluwalia, Director, Department of Health and Humans Services in Montgomery County at 240 777-1266 or via email at Uma.Ahluwalia@montgomerycountymd.gov.

- Ideally, a Stat process, working in sync and based on jointly agreed goals, can prove beneficial to all who are monitoring and managing this and other programs. Such a joint effort would also reduce a significant burden placed on both local and state governments in having to devise and report separate metrics to the federal government that are not necessarily meaningful from the local perspective.

Making Performance Measurement/Stat Process a Condition of Federal Grant Funding

- Performance management at the local level for targeted federal priorities would enable the federal government to distribute grant awards to the most appropriate recipients. It would also facilitate efficient performance reporting of on-the-ground results.
 - Public safety is a priority at all levels of government, and the federal Staffing for Adequate Fire and Emergency Response (SAFER) grant program demonstrates how a Federal program can be implemented to provide a measurable benefit at the local level. CountyStat has been the mechanism through which data was identified, analyzed, and communicated, providing an important tool to ensure future grant funding.
 - This grant opportunity provides staffing and offsets initial salary costs enabling the County to hire firefighter paramedics for its four person ALS staffing initiative. CountyStat served as the tool to measure the investment through data analysis related

to critical ALS response times and return on the staffing investment. CountyStat connects each of these pieces and measures the progress and success of this initiative.

- Implementation of the SAFER program has had a positive local impact in staffing, firefighter and occupant safety, and advanced life support (ALS) response times.
- For example, Montgomery County Fire and Rescue(MCFRS) has demonstrated a 20% decrease in ALS response time in areas of the County due to the four person ALS staffing initiative and the SAFER grant program.
- The SAFER grant program has made a huge difference in the lives of County residents and the County's first responders.

Linking Stat Measures to Federal/State Legal Requirements and Using Stat to Measure Achievement Beyond County Government Actions/Efforts

- Some County government programs involve meeting State and Federal legal requirements or standards. Stat and performance measurement provide the mechanism to communicate measurable results to the public and other government entities and put the focus on key goals and priorities.
 - For example, in the County's Department of Environmental Protection (DEP), the Federal Clean Water Act water quality criteria apply to the County's rivers and lakes. A state-issued NPDES Municipal Separate Storm Sewer system (MS4) permit governs the quantity and quality of the stormwater runoff coming from our urban and suburban areas. Pollutant-loading restrictions on nutrients and sediment to restore the Chesapeake Bay is a complicated effort requiring inter-jurisdictional and interstate collaboration that is now driven by federal actions and the direct involvement of the EPA.
 - CountyStat links the performance of DEP to the achievement of such external legal requirements and standards. For example, one of DEP's measures is *Pollutant Load Reductions Needed to Meet Water Quality Standards*. Such metrics tie directly into the state's measurements at the larger basin level and help the state to determine the Watershed Implementation Plans between watersheds within the state. Monitoring at the local level helps the state to finesse its own data set, shift reduction allocations around to the waterbodies that are the biggest contributors of pollution, and helps to achieve the overall goal of a cleaner Bay.
 - By meeting legal requirements the County also meets external environmental indicators that residents can readily identify with and are concerned about: are our

waters fishable and swimmable? The environmental program measure *Index of Biological Integrity (IBI) Scores in County Watersheds* evaluates whether our water bodies are supporting a well-functioning, healthy, and complex ecosystem.

- Such performance measures speak to conditions that the best efforts and input of government agencies, acting alone, cannot possibly meet. Stormwater runoff is influenced by leaking cars which leave auto fluids on our streets, pet waste, trash and litter, and lawn chemicals that people use in their yards.
 - No regulation in the world can catch every small, individual action that generates the pollution that could wind up in our waters. Treating all that before it flows into our streams and rivers is the ultimate goal, but it is sometimes prohibitively costly or logistically impossible.
- Having such performance indicators in place emphasizes that the mission, budget, and effort of our agencies' programs are directed toward the goal of providing our citizens a clean, healthy, and sustainable environment.
 - Local and state governments have often served as laboratories for progressive policies and practices which frequently laid the groundwork for change in other localities and states and, ultimately, on the federal level. Montgomery County has developed a compendium of best practices it uses at the local level that may be helpful as an approach is developed to make government more effective and efficient. For a copy of the *Montgomery County Best Practices*, please contact Fariba Kassiri, Assistant Chief Administrative Officer at 240 777-2512 or via email at Fariba.Kassiri@Montgomerycountymd.gov.
 - In a period of two and half years, Montgomery County has progressed tremendously toward its goal of fostering a culture of accountability in County government. However, collaboration with our other partners at Federal and State levels can help us to take this effort to the next level.

Montgomery County, Maryland

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